



Nicolet Minerals

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May 29, 2003

Melissa DeVetter
Crandon Project Manager
Wisconsin Department of Natural Resources
101 South Webster Street
Box 7921
Madison, WI 53707-7921

Robert Whiting
U.S. Army Corps of Engineers
St. Paul District
190 5th Street East
St. Paul, MN 55101-1638

Re: Crandon Mine Project – Hold on Further Action

Dear Ms. DeVetter and Mr. Whiting:

On April 10, 2003, Northern Wisconsin Resource Group LLC (“NWRG”) purchased Nicolet Minerals Company from BHP-Billiton. As you know, the previous owners of the Crandon Mine Project have spent over a decade working with regulators and interested parties in preparing the necessary application and analyses for approval of the project. As the new owner we are reviewing those materials to assess how they fit with NWRG’s long range plans, goals and vision for the project.

With this recent change in ownership and management, it seems an appropriate time for a pause in the process. This will allow NWRG to complete its internal review of the project and consult with other parties, as appropriate. These efforts should provide an economy of resources in the future approval process for the Wisconsin Department of Natural Resources (WDNR), U.S. Army Corps of Engineers (USACE) and the applicant.

With this background, NWRG requests that the WDNR and USACE:

Stay further processing of all pending applications and approvals for the Crandon Mine Project.

2. Delay further work on the draft environmental impact statements until NWRG completes its internal review of the project.



3. Direct all employees, vendors and consultants under WDNR and USACE control to stay all work on the Crandon Mine Project.

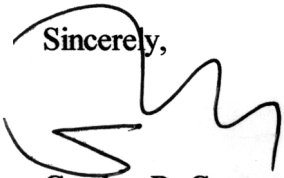
During this stay period, NWRG will:

Continue monitoring regional groundwater levels, wetland levels, and lake levels to aid in the State and Federal environmental impact assessment process and to establish baseline data.

2. Agree to toll any statutory or regulatory deadlines by which the WDNR and USACE are required to act on permit applications or requests for approval. This tolling shall end upon the applicant requesting that the WDNR and USACE reinstate the application/approval process.
3. Not withdraw the permit applications or requests for approval that were previously filed for the project. In this regard, NWRG is not seeking to cease approval of the proposed mining project – just place that approval process on hold.
4. Hold the tailings testing program in a stable environment by flooding the cells with deionized water and sealing the cell ports to eliminate tailings exposure to the atmosphere.
5. Not respond to any outstanding requests for information or concerns raised on the application (eg. the mining moratorium and paste backfill submittals). The applicant will file responses, as appropriate, after the stay.

We look forward to working with the WDNR and USACE in the future. In the interim, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gordon R. Connor', with a stylized, wavy line extending from the end of the name.

Gordon R. Connor
Project Manager

Cc: Stephen V. Donohue, Foth & Van Dyke
Cindy Emmons, Emmons & Associates